

## Message Text

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PAGE 01 LONDON 00862 171845Z  
ACTION EB-08

INFO OCT-01 AF-10 EUR-12 IO-13 ISO-00 AID-05 CEA-01  
CIAE-00 COME-00 EA-10 FRB-03 INR-07 NEA-10  
NSAE-00 USIA-06 OPIC-03 SP-02 TRSE-00 LAB-04  
SIL-01 AGRE-00 OMB-01 SS-15 ACDA-12 DODE-00 PM-05  
H-01 L-03 NSC-05 PA-01 PRS-01 HA-05 /145 W  
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R 171820Z JAN 78  
FM AMEMBASSY LONDON  
TO SECSTATE WASHDC 2115  
INFO AMEMBASSY BONN  
AMEMBASSY PARIS  
AMEMBASSY BRUSSELS  
AMEMBASSY COPENHAGEN  
AMEMBASSY DUBLIN  
AMEMBASSY ROME  
AMEMBASSY THE HAGUE  
AMEMBASSY LUXEMBOURG  
AMEMBASSY PRETORIA  
AMEMBASSY LUSAKA  
AMEMBASSY DAR ES SALAAM  
AMCONSUL CAPE TOWN  
AMCONSUL JOHANNESBURG  
USMISSION USUN NEW YORK

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E.O. 11652: GDS  
TAGS: EINV, ETRD, ELAB, OECD, UK, SF  
SUBJECT: U.S. PROPOSAL FOR COMMON CODE FOR FIRMS  
OPERATING IN SOUTH AFRICA

REF: STATE 4226; 77 STATE 281210

1. OUR DISCUSSIONS WITH THE FOREIGN OFFICE AND THE  
DEPARTMENT OF TRADE HAVE ELICITED THE FOLLOWING BRITISH  
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PAGE 02 LONDON 00862 171845Z

POSITION ON THE U.S. PROPOSAL FOR A COMMON CODE:

(A) THE UK GOVERNMENT IS AMENABLE IN PRINCIPLE TO  
CONSIDERING A COMMON CODE OF CONDUCT FOR FIRMS OPERATING  
IN SOUTH AFRICA WHICH WOULD BE ADHERED TO BY A WIDER  
GROUPING OF COUNTRIES THAN THE EC NINE.

(B) IN PRACTICE, THERE ARE TWO PROBLEMS WITH THE U.S. PROPOSAL. FIRST, THE UK COULD NOT SEE ITS WAY CLEAR TO ADHERING TO A CODE WHICH IS OR IS SEEN TO BE A STEP BACKWARD FROM THE EC CODE, AND THE PURELY VOLUNTARY U.S. PROVISIONS FOR REPORTING AND REVIEW OF BUSINESS BEHAVIOR ARE THOUGHT TO CALL FOR A LOWER STANDARD OF BUSINESS BEHAVIOR. SECONDLY, IF A GROUP OF COUNTRIES WERE TO ACCEPT A CODE ALONG THE LINES OF THE U.S. PROPOSAL, IT WOULD BE DIFFICULT TO GET UK COMPANIES TO ACCEPT THE EC CODE BECAUSE THEY WOULD FEEL THEY WERE BEING PENALIZED BY HAVING TO MAKE PUBLIC MORE INFORMATION THAN THEIR COMPETITORS.

(C) THE PREFERRED COURSE OF THE UK GOVERNMENT IS FOR THE U.S. AND OTHERS TO ACCEPT THE EC CODE OR SIMILAR GUIDELINES. IF THE U.S. CANNOT DO THIS BECAUSE OF ITS DESIRE TO HAVE A PURELY VOLUNTARY CODE CONSIDERATION MIGHT BE GIVEN TO GUIDELINES WHICH PARALLEL THE EC CODE BUT COVER NEW SUBSTANTIVE GROUND. THE UK DOUBTS, HOWEVER, THAT THERE IS MUCH IN THE WAY OF NEW ISSUES THAT MIGHT BE AGREED TO AT THE PRESENT TIME.

(D) THERE IS A CERTAIN AMOUNT OF UNCERTAINTY IN THE BRITISH GOVERNMENT AS TO WHAT THE U.S. IS REALLY PROPOSING. AFTER PROVIDING AND DISCUSSING ALL DETAILS AVAILABLE TO THE EMBASSY, BRITISH OFFICIALS STILL FELT CONFIDENTIAL

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PAGE 03 LONDON 00862 171845Z

THE NEED TO ASK FOR MORE DETAILS ON THE U.S. OROPOSAL.

2. IN SHORT, THE UK GOVERNMENT IS NOT LIKELY TO SUPPORT THE U.S. INITIATIVE AS IT IS PRESENTLY UNDERSTOOD.

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## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** STANDARDS, FOREIGN INVESTMENTS  
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**Draft Date:** 17 jan 1978  
**Decapton Date:** 01 jan 1960  
**Decapton Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Expiration:**  
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**Original Handling Restrictions:** n/a  
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**Reference:** 78 STATE 4226, 77 STATE 281210  
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**Subject:** U.S. PROPOSAL FOR COMMON CODE FOR FIRMS OPERATING IN SOUTH AFRICA  
**TAGS:** EINV, ETRD, ELAB, UK, SF, OECD  
**To:** STATE  
**Type:** TE  
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**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014